

§ 207.3

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§ 207.3 Restrictions.

(a) Aircraft and aircraft parts sold under the Act shall be used primarily for oil spill spotting, observation, and dispersant delivery, and may not have a secondary purpose that interferes with oil spill response efforts under an oil spill response plan. Use for a secondary purpose requires the prior written approval of the Secretary of Defense and the Secretary of Transportation, and a certificate from the Federal Aviation Administration, to be obtained in advance, for the proposed secondary use.

(b) Aircraft may not be flown outside of or removed from the U.S. except for the purpose of fulfilling an international agreement to assist in oil spill dispersing efforts, for immediate response efforts for an oil spill outside United States waters that has the potential to threaten United States waters, or for purposes that are jointly approved by the Secretary of Defense and the Secretary of Transportation.

(c) The DoD sale of aircraft and aircraft parts sold under the Act shall not extend past the time limits of the Act.

§ 207.4 Qualifications.

The Secretary of Transportation must certify in writing to the Secretary of Defense prior to sale that the person or entity is capable of meeting the terms and conditions of a contract to perform oil spill response services by air, and that the overall system to be employed by the person or entity for the delivery and application of oil spill dispersants has been sufficiently tested to ensure that the person or entity is capable of participating in an oil spill response plan that has been approved by the Secretary of the Department in which the Coast Guard is operating.

(a) Prior to sales offerings of aircraft or aircraft parts, the U.S. Department of Transportation (DoT) must provide to the Defense Reutilization and Marketing Service (DRMS), in writing, a list or persons or entities eligible to bid under this Act, including expiration date of each DOT contract, and locations covered by the DOT contract.

(b) This requirement may not be delegated to the U.S. Coast Guard (USCG).

§ 207.5 Sale procedures.

Sale of aircraft and aircraft parts must be in accordance with the provisions of Chapter 4 of DoD 4160.21-M (August 1997), paragraph B 2, and with other pertinent parts of this manual, with the following changes and additions:

(a) Sales shall be limited to the aircraft types listed in Attachment 1 of Chapter 4 of DoD 4160.21-M (August 1997), and parts thereto.

(b) Sales shall be made at fair market value (FMV), as determined by the Secretary of Defense and, to the extent practicable, on a competitive basis.

(1) DRMS must conduct sales utilizing FMVs that are either provided by the Military Services on the Disposal Turn-In Documents (DTIDs) or based on DRMS's professional expertise and knowledge of the market. Advice regarding FMV shall be provided to DRMS by DOT, as appropriate.

(2) If the high bid for a sale item does not equal or exceed the FMV, DRMS is vested with the discretion to reject all bids and reoffer the item:

(i) As excess property on another oil spill sale, if there is indication that reoffer may be successful; or,

(ii) As surplus property if, after reporting the aircraft to the General Services Administration (GSA) for utilization and donation screening, there are no Federal or State Agency requirements as determined by GSA.

(3) Disposition of proceeds from sale of aircraft under the Act, net of DRMS's expenses, will be to the general fund of the United States Treasury as miscellaneous receipts.

(c) Purchasers shall certify that aircraft and aircraft parts will be used only in accordance with conditions stated in § 207.3.

(1) Sales solicitations will require bidders to submit end-use certificates with their bids, stating the intended use and proposed areas of operation.

(2) The completed end-use certificates shall be used in the bid evaluation process.

(d) Sales contracts shall include terms and conditions for verifying and enforcing the use of the aircraft and aircraft parts in accordance with provisions of the guidance.